



LOUISIANA MEDICAID BAYOU HEALTH PROGRAM

Proposers' Conference
July 31, 2014

Ruth Kennedy
Medicaid Director

AGENDA

- ◉ Welcome and Introductions
- ◉ Introductory Comments
- ◉ DHH and Contractor Roles
- ◉ High-level Overview of Request for Proposals
- ◉ Proposal and Contracting Information
- ◉ Questions and Answers

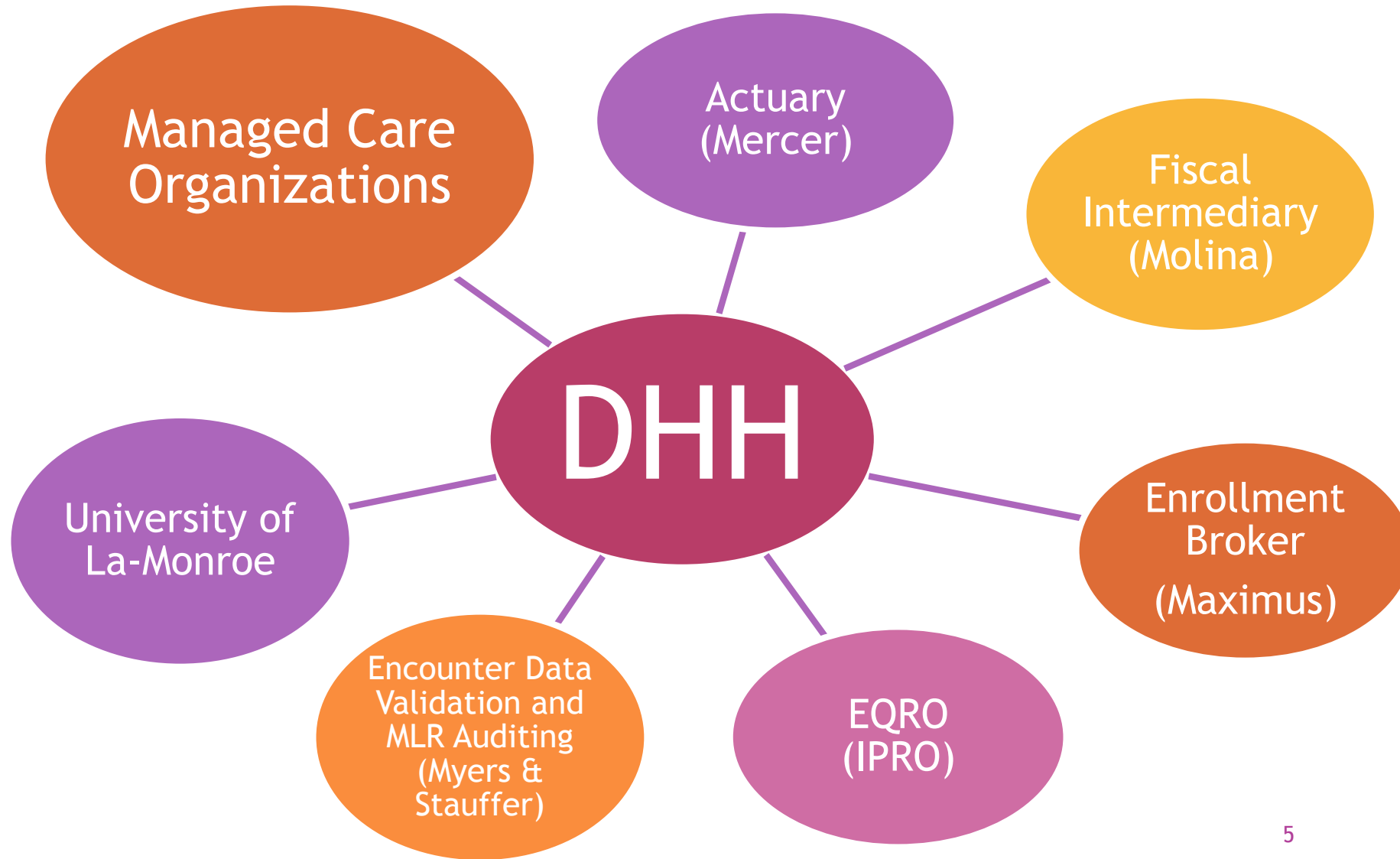
DEADLINE FOR SUBMISSION OF PROPOSALS



OTHER KEY DATES IN TIMELINE

- ◉ August 4th—Deadline for Written Comments
- ◉ August 8th—Non-Binding Letter of Intent to Propose
- ◉ August 18th—DHH Responses to Written Comments
- ◉ August 26th—Follow-up Comments to Written Responses (Only)
- ◉ September 1st—DHH Responses to Follow-up Comments
- ◉ October 1st -October 20th Evaluation of Proposals
- ◉ October 24th—Announcement of Recommendations for Contract Award
- ◉ ~November 20th - ~January 20th [Approximate] Sixty Day Annual Open Enrollment Period
- ◉ February 1st (**Firm**) New Contracts Begin

CONTRACTED SUPPORT FOR BAYOU HEALTH PROGRAM

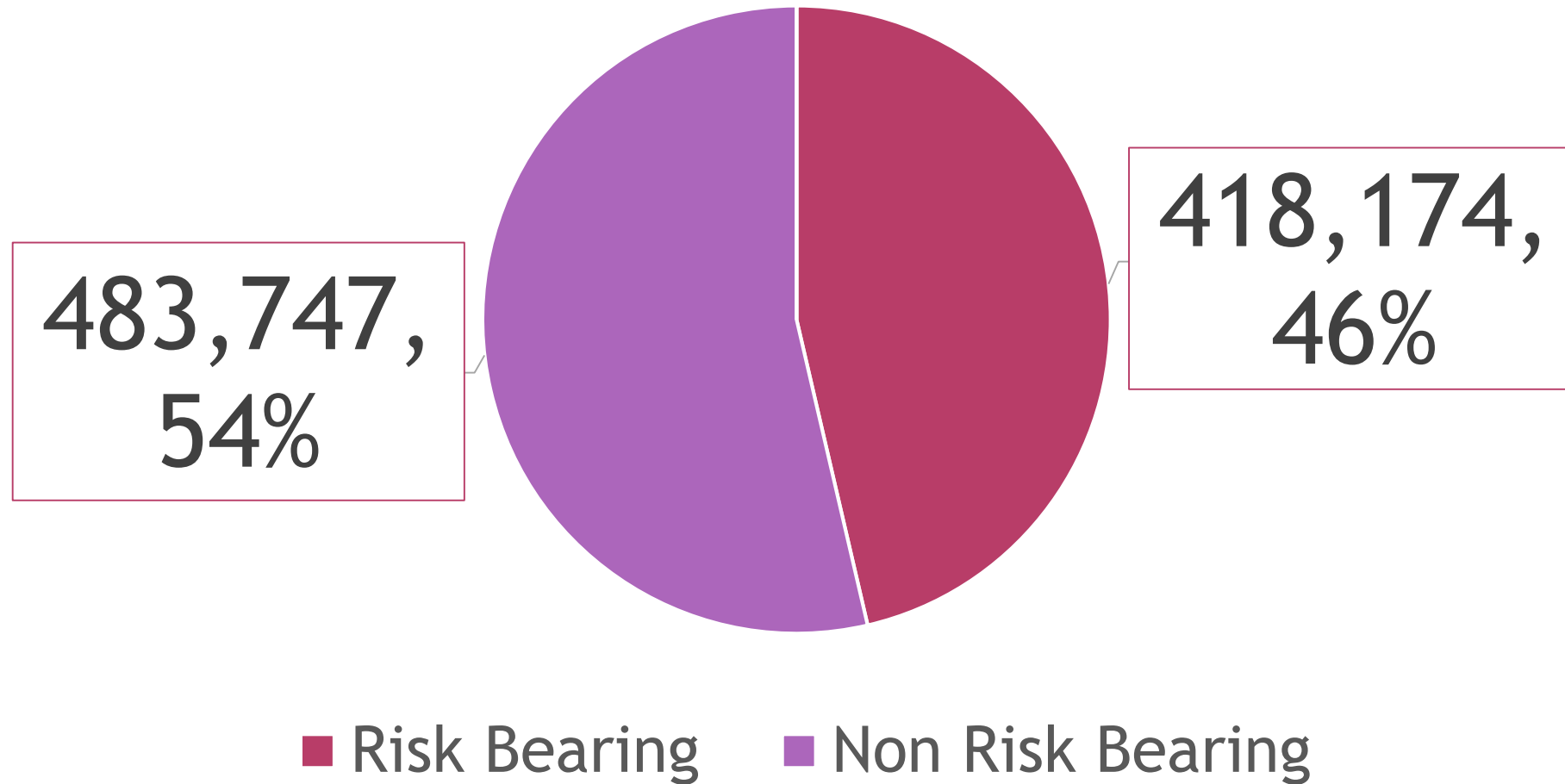


NEW VOLUNTARY POPULATIONS

- Participants in Louisiana's Medicaid Home and Community Based Services (HCBS) 1915(b) waivers
 - Adult Onset Disabilities and Seniors
 - Intellectual and Developmental Disabilities

Exception: If participant is a Medicare dual eligible, they cannot opt in
- Children age 3-20 who have—
 - been determined to meet Louisiana's statutory definition of a developmental disability, and
 - are on the Department's waiting list for a Medicaid Home and Community Based Services (1915(b)) Waiver
 - Additional reporting requirements (*Chisholm v Kliebert*)
- **These members will be transitioned to our Medicaid Managed Long Term Supports and Services (MLTSS) Plans**
 - Approximately 10/1/15: Elders and Adult Onset Disabilities
 - Approximately 1/1/16: Intellectual and Developmental Disabilities

ACTUAL ENROLLMENT IN BAYOU HEALTH AS OF JULY, 2014



ELIGIBILITY IN LOUISIANA MEDICAID

- ◉ Twelve months continuous eligibility for enrollees < age 19
 - ◉ Expedited certification of Pregnant Woman applications
- No asset test for parents since 1992, but **very low** income threshold (Gross Income at or Below 24% FPL)
- ◉ Historically low rate of churning for failure to complete the annual renewal process **(but could change in 2015!)**
(paperless renewal **process**)
 - ◉ For seniors and people with disabilities, La is a Section “1634 State”—federal SSI eligibility= Medicaid eligibility

ANTICIPATED BAYOU HEALTH ENROLLMENT TREND

- ◉ **Monthly increases in enrollment through 1/31/15**
 - Children and Families and CHIP as a result of approved CMS waiver to defer annual renewals due in CY 2014
 - Monthly increases in SSI enrollees as a result of implementation of Provisional Medicaid Program beginning late June 2014
 - Nominal increases as a result of option for HCBS waiver participants to **pro-actively** opt in to Bayou Health beginning July 2014
- ◉ **Monthly decreases in enrollment very likely beginning 2/1/15**
 - Additional information will be required to renew eligibility to capture ACA required information; non-compliance=closure
 - Closures at renewal unlikely to be offset by continued growth of Provisional Medicaid, HCBS opt-ins and new *Chisholm* class member opt-ins

CHANGES IN EFFECTIVE DATE OF ENROLLMENT IN MCO

- ◉ Effective date of MCO linkage for new Medicaid enrollees = beginning date of Medicaid eligibility
- ◉ New MCO financial responsibilities
 - Payment for services received during retroactive eligibility period
 - Recipient reimbursement during retroactive eligibility period as required by *Blanchard v Forrest*
- ◉ Medicaid financial eligibility application being revised to give applicant option to select an MCO
- ◉ If MCO is not selected, auto assignment will occur immediately
- ◉ Member will have 90 days after initial auto-assignment to change plans

AUTO-ASSIGNMENT METHODOLOGY

- ◉ Seeks to preserve the existing provider-recipient relationship
- ◉ Hierarchy of assignment:
 - Immediate family or household member linkage to an MCO
 - Most current previous relationship with an MCO, if the member's PCP is in-network
 - Round robin algorithm that maximizes the preservation of existing provider-recipient relationships
- ◉ MCO's with 40% or more of the total statewide membership will be removed from the round robin process
- ◉ Quality measures may be factored into the process

MANDATORY REQUIREMENTS FOR PROPOSERS

- ◉ Signed Proposal Certification Statement
- ◉ Signed Statement Binding Proposer to Provisions of RFP
- ◉ Proof that Proposer Has Acquired a Certificate of Authority from La. DOI to Establish and Operate a Medicaid MCO
- ◉ Statement Regarding Any Religious or Moral Objections

****Any proposal submitted without all mandatory requirements will be disqualified from the evaluation process immediately****

ADDITIONAL PARTICIPATION REQUIREMENTS

- ◉ Certified by Secretary of State to do business in La (RS 12:24)
- ◉ Free from conflict of interest
- ◉ Minimum capacity to serve 250,000 members statewide
- ◉ URAC or NCQA certification
- ◉ Awarded contract by DHH that is approved by Division of Administration and CMS

MINIMUM FINANCIAL REQUIREMENTS

- ⦿ Performance bond requirements scaled to new RFP scope
 - Initial bond amount is \$50 M, submitted with original signed contract
 - Amount adjusted annually to equal 110% of the total capitation payment made to the MCO for enrollment in the first month of the contract year
- ⦿ Annual independent audit must meet a Statement on Standards for Attestation Engagements (SSAE) No. 16 Service Organization Control (SOC) Type II audit requirements
- ⦿ A minimum score of 25 out of 35 points for the financial section in order to continue evaluation of proposal

NEW STAFFING REQUIREMENTS

- ◉ Behavioral Health Medical Director
 - Board-certified psychiatrist in the State of Louisiana and has at least five (5) years of combined experience in mental health and substance abuse services.
 - Senior executive--minimum 10 hours weekly
 - Located in Louisiana or available to Louisiana for consultation
 - Oversee and be responsible for all behavioral health activities within the MCO
 - Takes an active role in the contractor's medical management team and in clinical and policy decisions.
- ◉ Program Integrity
 - One full time Program Integrity Officer
 - One full-time Fraud Investigator *for every 100,000 members or fraction thereof*
 - Must be physically located Louisiana full-time
- ◉ Staff Training Requirement
 - New and existing transportation, prior authorization, provider services and member services representatives must be trained in the **geography** of Louisiana as well as culture and **correct pronunciation** of cities, towns, and surnames

FEDERAL COURT ACTIONS IMPACTING MCO REQUIREMENTS

- ◉ ***Blanchard v Forrest* (1996)**
Retroactive recipient reimbursement
- ◉ ***Chisholm v Hood et.al.* (1999)**
Services for children with special needs; monthly reporting to plaintiff attorneys
- ◉ ***Wells v Kliebert* (2014)**
Content of notices to of service denial and partial denial to recipients



NOTEWORTHY CHANGES IN BENEFITS AND SERVICES

- ◉ New services (no longer carved out)
 - Hospice
 - Personal Care Services for Children and Youth <Age 21
- ◉ Expansion of Non-Emergency Medical Transportation to include all necessary transportation
 - To access core benefits & services
 - To access carve outs including but not limited to dental and behavioral health services
- ◉ Financial responsibility for behavioral health services
 - No longer determined by primary diagnosis code (290.xx - 319.xx)
 - Determined by rendering or prescribing provider specialty or facility type (behavioral health specialized or not)

BEHAVIORAL HEALTH SERVICES - BAYOU HEALTH

- ◉ “Basic” behavioral health services are the responsibility of Bayou Health, including but not limited to
 - Drugs not prescribed by behavioral health specialists
 - Professional services not provided by behavioral health specialists (e.g., Psychiatrist, Psychologist, Mental Health Rehabilitation provider)
 - FQHC/RHC encounter in which no services were provided by a behavioral health specialist
 - Facility services except those provided in a psychiatric facility or distinct part psychiatric unit
 - Acute Medical Detoxification services

BEHAVIORAL HEALTH SERVICES - LBHP

- ◉ “Specialized” behavioral health services are the responsibility of the LBHP, including but not limited to
 - Drugs prescribed by behavioral health specialists
 - Professional services provided by behavioral health specialists (e.g., Psychiatrist, Psychologist, Mental Health Rehabilitation provider)
 - FQHC/RHC encounters in which any services were provided by a behavioral health specialist
 - Facility services provided in a psychiatric facility or distinct part psychiatric unit

CAPITATION PAYMENTS & NEW RETAINAGE PROVISION

- ⦿ Capitation payments for the month of enrollment will be made on or near the middle of the **following** month
- ⦿ Capitation payments retroactive to date of Medicaid eligibility, not to exceed 12 months
- ⦿ 2% of monthly capitation payment withheld as incentive for contract compliance
 - If no deficiencies, full withhold released in the following month
 - If deficiency, written notice to plan details deficiency and applicable penalty
 - Applicable penalty withheld until corrected and withheld permanently if not corrected within 6 months

RATE SETTING AND AVAILABILITY OF 2/1/15 RATES

- ◉ Updated Louisiana Medicaid Databook is available online in the procurement library at www.makingmedicaidbetter.com
- ◉ The revised rates and rate certification letter will be available by **September 1, 2014**

BHSF SFY 15 “BIG BETS”

- ⦿ Appropriate use of ERs by Medicaid enrollees
- ⦿ Assure meds prescribed for ADHD are appropriate
- ⦿ Develop and implement the “best of breed” Medicaid Program Integrity operation
- ⦿ Maximize retention of eligible individuals requiring a MAGI - compliant renewal
- ⦿ Implement and promote **Well-Ahead** and workplace wellness
 - Our employees
 - Within BHSF workplaces
 - **Among BHSF contractors**

VALUE ADDED BENEFITS FOR MEMBERS

- ◉ Additional benefits outside scope of core benefits and services to individual members on a case-by-case basis,
- ◉ Based on medical necessity, cost-effectiveness, wishes of member, potential for improved health status, and functional necessity.
- ◉ *If aggregated annual per member per month PMPM proposed is not expended, the department reserves the right to require the MCO to provide an alternate benefit of equal value and/or may conduct a reconciliation for the amount unexpended.*

SUGGESTED VALUE ADDED BENEFITS FOR MEMBERS

- Reduction in ED use for non-emergent care
- Improved birth outcomes
- Improved access to long-acting reversible contraceptives
- Reduction in childhood obesity
- Reduction in geographic and racial health disparities in the areas such as of birth weight, sexually transmitted infections (STIs), et.al.
- Improved screening for and plans for treatment of communicable diseases
- Improved access to care and outcomes for adult members with sickle cell disease
- Dental care, eye glasses, and/or vaccinations for adults

VALUE ADDED FOR PROVIDERS

- ◉ Shared Savings model demonstrated the “value added” (improved quality) by sharing savings with contracted providers
- ◉ Strongly recommended alignment with DHH priorities and Bayou Health performance measures
- ◉ Proposed monetary value of these incentives and/or enhanced payments will be considered a binding contract deliverable
- ◉ All incentives require DHH approval
- ◉ Scoring of value added for providers
 - Will consider both actuarial value and description/reasonableness
 - Our contracted actuary Mercer will review this Section of proposals and advise us

VALUE ADDED TO LOUISIANA EMPLOYEES

- ◉ Workplace wellness is a major focus of DHH and BHSF
- ◉ Clear link between health and wellness of employees and productivity
- ◉ Proposed Louisiana workplace wellness program and employee incentives to be in effect not later than three months from the effective date of the contract (and for duration)
- ◉ Proposed minimum annual monetary expenditure for wellness program will be considered a binding contract deliverable

NOTEWORTHY CHANGES RELATED TO QUALITY IMPROVEMENT

- ◉ **Birth Outcomes:** Provisions that do not allow prior authorization for key medications to prevent prematurity and care coordination post-partum for high risk pregnant women
- ◉ **Patient Engagement:** Requirement for new tools (i.e. mobile aps) to engage with patients
- ◉ **Coordinated Quality Improvement:** Requirement of common PIPs with other health plans with both required data reporting and sharing of best practices
- ◉ **Innovation:** Innovative care coordination models that go beyond telephonic case management
- ◉ **Enhanced Monitoring or Prior Authorization Denials (Wells)**

NEW MEASURES WITH FINANCIAL CONSEQUENCES

Measure	Measure Steward	Federal Reporting Program	Target Population	Condition
Antenatal Progesterone	DHH/ULM	None	Children's and Maternal Health	Perinatal and Reproductive Health
Cesarean Rate for Low-Risk First Birth Women	TJC	CHIPRA	Children's and Maternal Health	Perinatal and Reproductive Health
Adolescent Well Care Visit	NCQA	CHIPRA	Children's Health	Utilization
HIV Viral Load Suppression	HRSA HIV/AIDS Bureau	MEDICAID ADULT	Chronic Disease	HIV
Diabetes Short Term Complications Rate	AHRQ	MEDICAID ADULT	Chronic Disease	Diabetes
Postpartum Care (PPC Submeasure)	NCQA	MEDICAID ADULT	Maternal Health	Perinatal and Reproductive Health
Ambulatory Care	NCQA	CHIPRA	Population Health	Utilization

WRITTEN COMMENTS DUE MONDAY 8/4

- Submit electronic copy in Microsoft **Word** table in the format specified below:

Submitter Name	Document Reference (e.g., RFP, RFP Companion Guide)	Section Number	Section Heading	Page Number in Referenced Document	Question
Example	RFP	1.6.4	Proposer Comments	4	Can questions be asked by phone?

- DHH reserves the right to determine, at its sole discretion, the appropriate and adequate responses to written comments, questions, and requests for clarification. DHH's official responses and other official communications pursuant to this RFP shall constitute an addendum to this RFP.

PREPARATION OF PROPOSALS

- ◉ Proposals must be prepared in accordance with Section 23 of the RFP and include a response to each item listed in Appendix KK.
- ◉ The Proposer shall submit:
 - ◉ one (1) original hard copy and two (2) additional hard copies of each proposal.
 - ◉ Two (2) electronic copies of the proposal, each on a separate flash drive or CD(s) shall be submitted.
 - ◉ Proposer should provide one electronic copy of the Redacted version (cd or flash drive).
- ◉ No facsimile or emailed proposals will be accepted.
- ◉ All proposals must be received by the due date and time indicated on the Schedule of Events. Proposals received after the due date and time will not be considered.

RESOURCES FOR PROPOSERS

- ◉ Electronic copies of material relevant to this RFP will be posted at the following web addresses:

<http://new.dhh.louisiana.gov/index.cfm/newsroom/category/47>

- ◉ *Placeholder for information on data book which is posted to procurement library*

OFFICE OF CONTRACTUAL REVIEW (OCR) APPROVAL

- Procurement Support Team (PST) is advisory group to OCR Director for certain contracts
- Created in both statute and rule; R.S.39:1496 and LAC 34: V, Subchapter C.
- Representative from AG Office, Legislative Fiscal Office, OCR, and DHH
- Will review both the **selection process** and subsequent **contracts** prior to OCR approval

3 to 5 Contracts will be Awarded

“BLACKOUT” PERIOD

- ◉ A specified period of time during the procurement process in which any proposer, bidder, or its agent or representative, is prohibited from communicating with any state employee or contractor of the
- ◉ Begins with the posting of the solicitation and does not end until the contract is awarded.
- ◉ This applies to state employees, and any contractor of the State.
- ◉ All solicitations for competitive sealed procurements will identify a designated contact person - Mary Fuentes.
- ◉ Communications with incumbent vendors, is limited operations and administration of existing contract only.
- ◉ Any bidder, proposer, or state contractor who violates the Blackout Period may be liable to the State in damages and/or subject to any other remedy allowed by law.

COMMENTS AND QUESTIONS

QUESTIONS

- ◉ Remember that spontaneous answers during the Proposers' Conference are **unofficial**
- ◉ Please follow up with your question in writing using the required format
- ◉ RFP Coordinator:

Mary Fuentes
Department of Health and Hospitals
Division of Contracts and Procurement Support
P.O. Box 1526
Baton Rouge, LA 70821-1526
(225) 342-5266
Mary.Fuentes@la.gov

AFTERNOON SESSION: SYSTEMS & TECHNICAL

- ◉ New Systems Companion Guide
- ◉ Technical Infrastructure
- ◉ Data Exchange Requirements
- ◉ Updated Processes - Highlights
- ◉ Questions and Answers